

REMARKS

BY

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Thank you, Judge Ginsburg, distinguished guests, and members of the conference. It's really a great treat for me to be with you this morning. I've been looking forward to it for a long, long time.

As is always the case before these conferences, I heard some good news and some bad news. And I want to extend my condolences on the demise of the food service. It sounds as if GSA has been reading too much Shakespeare. If you think you're having a hard time, the good news is that you can still set your own docket. I had planned to bring my tennis racquet; I had planned to enjoy dinner tonight; I had planned a lot of good things. On Friday, I was told that the President had called a National Security Planning Group session for two o'clock this afternoon. And I thought, "Well, I can still stay for lunch." By Friday afternoon, I was told that the President would like to be briefed on some aspects of his summit trip at one o'clock this afternoon. Then on Saturday morning I was told the President had called a meeting for Saturday at the White House. I thought that would take care of it, and I would still be able to come down and enjoy things. As I was headed for the airport yesterday afternoon, I received a call from General Powell saying the President would like to have a meeting at eight o'clock last night. So I went there and then I came here. So I've been fully bracketed, and it's going to be all work and no play for Bill Webster on this trip. So there is some consolation in the fact that you still set your own dockets.

This is an important week for me: Thursday marks a year since I was sworn in as Director of Central Intelligence. And this seems like a good time to review what has taken place in that year. When I joined the FBI nine years ago, I was surprised when Griffin Bell presented me with a badge. When I came

on board at the CIA, I was given a button. The button said: "My job is so secret that even I don't know what I'm doing." So that was the beginning of an interesting and challenging year.

It's been an extraordinary year in a substantive way. I cannot remember, perhaps because I was not so immediately involved, a time when there have been so many regional problems around the world erupting almost simultaneously. All the problems in Central America -- El Salvador, Nicaragua, Honduras, even Haiti; the problems in the Middle East -- peace in the Middle East, the Persian Gulf issue, the Saudis with their new missiles; problems in Afghanistan, Africa, Mozambique, and Angola; the arms control initiatives; and the world's newest competitor in munitions delivery systems -- the People's Republic of China. I thought I would reserve any time available on the schedule for questions you might want to ask on these subjects. But this morning, I would like to talk about things that are closer to home.

My nine years at the FBI -- as well as 40 years of experience in the law -- have convinced me that the integrity of government organizations can only be maintained by absolute fidelity to our Constitution, to our laws, and to our rules -- rules imposed to ensure our citizens that we are accountable. And I don't suppose that this principle is anywhere more applicable than in organizations that must function in secret. I do not think the CIA is exempt from this principle. In fact, I believe that it is the key to public acceptance of this vitally necessary work.

When I came to the CIA, I said that I intended to work closely with policymakers to put truth into action. I'd like to talk today about what we at CIA have done during this past year to make good on that promise.

A year ago, the Agency was subjected to the most searching inquiry into our part in what has come to be known as the Iran-Contra affair. I knew that how we responded to the facts revealed in the inquiries into Iran-Contra could significantly affect our ability to recapture the trust we deserved, resist intolerable new legislative restrictions, and retain the resources needed to carry out our assignments. At the same time, I knew that whatever administrative actions were taken must be just and must be based upon our own existing rules -- not imposed from the outside and not carried out precipitously to appease an angry Congress or critical press. This process took about eight months, and utilized the services of a special counsel, who was my former law clerk, my former special assistant, and partner in the firm of Wilmer, Cutler and Pickering. He did an outstanding job for me.

After a careful internal review, I determined that as an institution we had performed well -- that there was no systemic disrespect for authority, rules, and guidance. But it was also apparent that there had been some violations of Agency rules. I ordered disciplinary actions in several cases. In each case, discipline was based upon serious violation of existing regulations or failing to give candid responses to our Inspector General and to committees of Congress charged by law with oversight of our work.

Partly in response to legitimate criticism and partly as a result of our own internal assessments, we have made a number of management improvements in the past year. These include new guidelines for internal monitoring and review of covert operations, new guidelines for those in CIA who testify before Congress, and new guidelines for formulating intelligence assessments without political biases. I have also strengthened the Inspector General's

Office by bringing in our most talented, senior-level intelligence officers throughout the Agency to serve on the Inspector General's staff and making such service a key to further advancement in the CIA. And I have determined that the Inspector General shall hold the rank of Deputy Director and shall report directly to me. Incidentally, I am moving him back into Headquarters, just as I am moving the General Counsel back into Headquarters.

I see the Inspector General's charter as broader than it has been before. In addition to the normal inspection, investigation, and audit activities, I see the Inspector General -- in a positive, constructive sense -- directly involved in improving overall Agency management, ensuring accountability and discipline, and encouraging even greater quality of performance. The Inspector General will also play a significant role in developing our top managers and leaders of tomorrow.

In addition, we have brought together operations officers, analysts, and security officials in a new Counterintelligence Center. Counterintelligence is of vital concern to our current national security efforts. And we have moved to address this very serious problem. Of all the deficiencies that have been attributed to us, I think this one, perhaps, has the most validity.

Another, greater concern is the security of our embassies abroad, and I think you are familiar with those problems. Responding to Presidential directives, I have established a new independent office to report to me on security conditions overseas. This office was worked out with the Secretary of State but is independent of the Secretary of State, and assures a quality, professional approach to security needs.

And to make certain that our collection efforts and analysis are responding to the needs of policymakers, I meet frequently with individual policymakers, to be sure that we are, in fact, responding to consumer needs. I have a regularly scheduled appointment with the President every two weeks, and obviously we meet more often on occasions when we're in group sessions. I meet once a week -- when we're all in town -- with the Secretary of State, the Secretary of Defense, and the national security adviser to the President. I also attend all National Security Planning Group meetings and chair the National Foreign Intelligence Board meetings. So there is a good opportunity to know whether our work and product are responding to consumer needs.

I'd like to tell you about how some of those changes we have made affect our day-to-day operations. I'll begin with covert action, because, although covert action traditionally claims a very small portion of the Intelligence Community's resources -- only about three percent -- these activities are the focus of the greatest congressional and public attention. Under the Hughes-Ryan Amendment, the President must find that each covert action is important to the national security before the operation can be initiated. The Covert Action Review Group that I have formulated must meet to review all proposed findings -- this is before it even goes forward to the National Security Council. And it is incumbent upon us to determine that the finding can be done -- and done in a lawful way. And we have to be sure that the individuals who are out on the firing line, outside the protection of our Constitution and our laws, in many instances, can do their work in accordance with the flexibility they need. Moreover, they must have the clearest possible training and understanding of their responsibilities to the CIA and to the country.

The Covert Action Review Group, which we call the CARG, asks these questions: Is the finding consistent with overt United States policy? Clearly, this is what went wrong in the Iran-Contra matter. What are the consequences going to be if the activity is publicly exposed? Is it consistent with American values? Will it make sense to the American people? And, will it work? Not all covert activities will succeed, but I believe if they are subjected to these kinds of tests, and this kind of management, we have the best chance of getting the maximum and most effective use from our covert capability. And I'd like to add a couple of notes here. It is the foreign policy of the United States that is invoked when we are called upon to use covert activity. We are asked to do it, and we are asked to do it in support of U.S. foreign policy, not the CIA's foreign policy. When the project has been formulated and passes the CARG screening effort, it goes to the National Security Planning Group -- that's the Secretaries of State, Defense, and Treasury; the Attorney General; the National Security Adviser; the President and Vice President -- and again is subjected to the same kind of tests, so the President has the opportunity to hear from everyone, as he has been doing this past weekend, on whether or not this project is a worthy one, before he makes his finding.

Under law it is our duty to notify the House and Senate intelligence committees -- in a timely fashion -- of any significant intelligence activities. This includes any activities requiring a Presidential finding. Just what constitutes timely is a matter of concern both to Congress and to the Administration. The House is considering, and the Senate has approved,

legislation that would require notification of a special activity to Congress within 48 hours of a Presidential finding.

I anticipate that the President will veto legislation that requires the CIA to notify Congress of all covert operations within 48 hours. There is a serious constitutional question about this legislation. This is not my problem to argue, but it is there. Additionally, some allowance must be made for that rare case where limited delay in congressional notification is critical to preserve the absolute security of an operation -- when, for example, lives are at stake and third-country sources, which supply the information and provide the opportunity to save lives, refuse to allow us to convey that information to the Congress. The President, in his National Security Decision Directive, provides that if he does not notify Congress within 48 hours, he must review that decision every 10 days. In my experience at the bar and in the exercise of discretion, I think this is key. If you exercise discretion, you don't exercise it without review. If you have a duty to exercise discretion, you must review your decision. And in this case, the President has agreed that his decision will be reviewed every 10 days until Congress can be notified.

But the CIA's relationship with Congress is crucial. Because I know of the need to be absolutely candid with Congress, and the responsibility that intelligence professionals have to protect sources and methods, I have established guidelines governing our dealings with Congress. And I have made it absolutely clear that in dealing with Congress there is no excuse for deception.



There may be some questions that the Agency officials who brief Congress will have to refer back to me. They've been told when to demur and say they have to refer back to Headquarters before answering those questions. And I think that's appropriate. I am prepared to take the heat or work out arrangements with Congress after that occurs. But we will not give half-answers or around-the-corner answers. If there is a problem, we will say there is a problem, and that we cannot answer the question at this time. But we will not leave the Congress feeling that in some way we have been disingenuous with them. I think tension between Congress and the executive branch will always exist, but we will be able to work it out if there is an element of trust in the honesty of the statements we make. This, I think, is very similar to the obligation of candor that lawyers have in court. When that obligation is understood and applied, there are very few situations that cannot be worked out.

I firmly believe that the oversight responsibilities exercised by Congress are both necessary and beneficial. There must be a dependable system of oversight and accountability that builds, rather than erodes, trust between those who have the intelligence responsibility and those who are the elected representatives of the American people.

We provide a great deal of information to Congress. And that has changed dramatically from 15 years ago, when we gave them 175 briefings. Last year alone we gave over 1,000 briefings to Congress on a variety of topics. These topics included arms control, Soviet weapons, the Persian Gulf situation, the conflicts in Central America, and even the spread of AIDS in Africa.

The information we collect -- and collect and analyze very well, in my opinion -- is of vital importance to those who have to make important policy decisions and take important initiatives in the interest of our country. The information we provide to Congress and policymakers must be developed in an objective way. The Director of Central Intelligence and the people who analyze information must be seen as giving the best estimates, not to "cook the books" or try to shape or influence policy, but to provide policymakers with the kind of information with which they can make wise decisions in the interests of our national security. Sometimes we have to pound on the table to be sure they hear what we are telling them, but we should not and do not try to influence their opinions by telling them what is the best thing to do. We just have to be awfully sure from time to time that they're not closing their eyes to intelligence or failing to give us an opportunity to supply it. I was talking to a colleague this morning and I said that sometimes I think we're guilty of a "ready, fire, aim" approach.

Because the quality and objectivity of the intelligence we provide is so important, we have and will continue to "tell it like it is," avoiding bias as much as we can. On the other side of the coin, policymakers may not like the message they hear from us, especially if they have a different point of view. With the first few estimates we did on the Persian Gulf situation, they weren't too happy with what they were being told. My position is that in the preparation of intelligence judgments, particularly National Intelligence Estimates, we will provide them for the use of policymakers. They can be used in whole or in part. They can be ignored, torn up, or thrown away. But they cannot be changed.

I think this kind of insistence on objectivity may be one of the most significant contributions that I can make in galvanizing a cohesive Intelligence Community without compromising the integrity of the individual analysts or program managers.

I have frequently made the point that in this organization, we are going to have to take risks, but the risks have to be associated with certain kinds of principles -- principles with which the public is comfortable. The risks must not put us afoul of the Constitution or our laws.

Americans, above all, need to believe that the institutions and laws of this country are working for them -- not against them. They need to believe that laws are applied fairly and consistently, and that there is an adequate system of redress. They also need to believe that their government is responsive, accountable, and not above the law.

There have been several times during my career when I've been called to leave the private practice of law, although I still think I'm on loan to the government -- but it's getting to be a long loan. And every time I've been asked to move to something else, I've learned a little more about the dimensions of the law as it applies to our citizens. In this new assignment, I have not left the law. It is very much a part of this adventure.

As I was preparing these remarks, I thought of a photograph and quotation that appeared on the cover of the St. Louis Bar Journal when I was its editor in the early 1950s. It showed a young lawyer -- perhaps a law student -- sitting in a courtroom, behind the judge's bench, looking off into the future. And the quotation, which I selected from Judge Learned Hand, said, "Descended to us, in some part molded by our hands, passed on to succeeding

generations with reverence and with pride, we at once its servants and its masters, renew our fealty to the law." Those are wonderful words. Although much water has gone over the dam since I first read them, they are still deeply meaningful to me. And perhaps that is why I was so grateful when you invited me to be with you today.